

compensation arrangements, and 4) continue to afford ILECs the flexibility to introduce new products and services that can meet the needs of all kinds of telecommunications users.

Respectfully Submitted,

The Southern New England Telephone Company

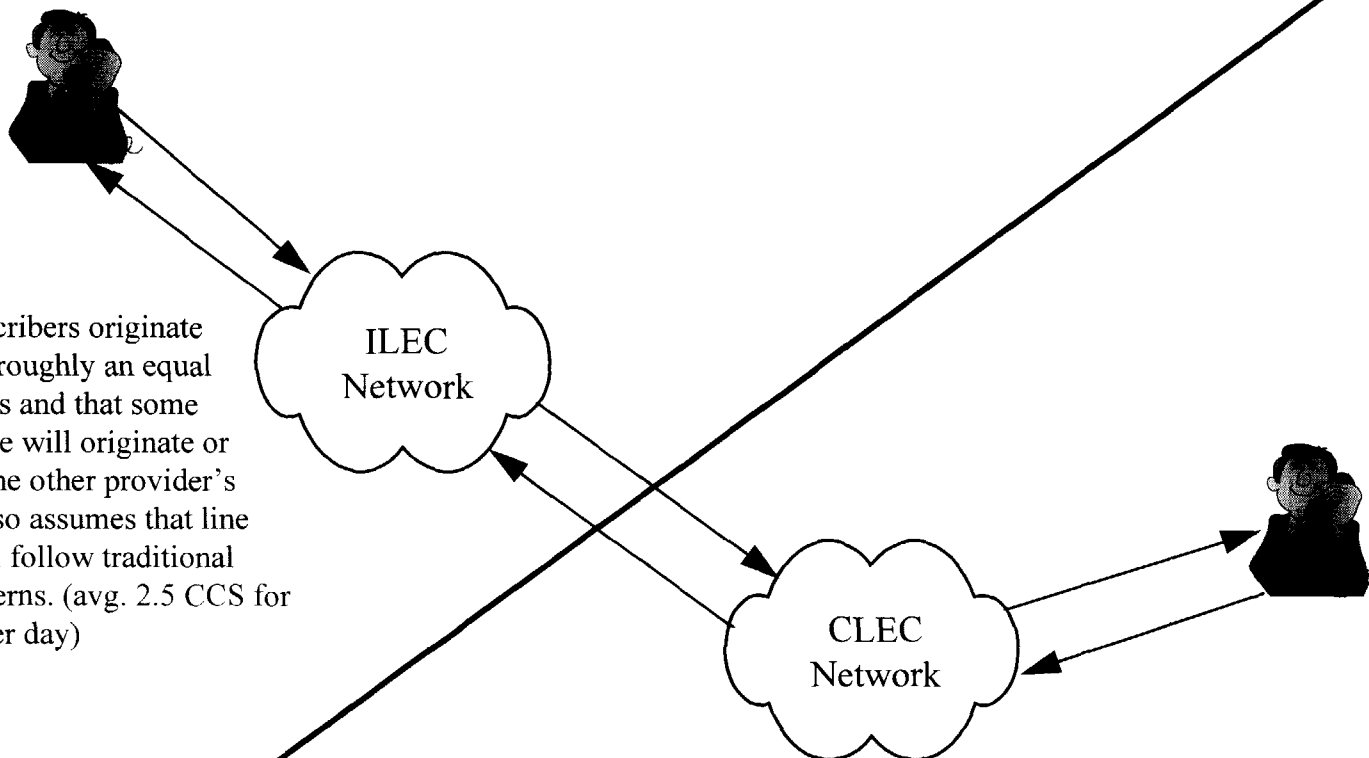
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March 24, 1997

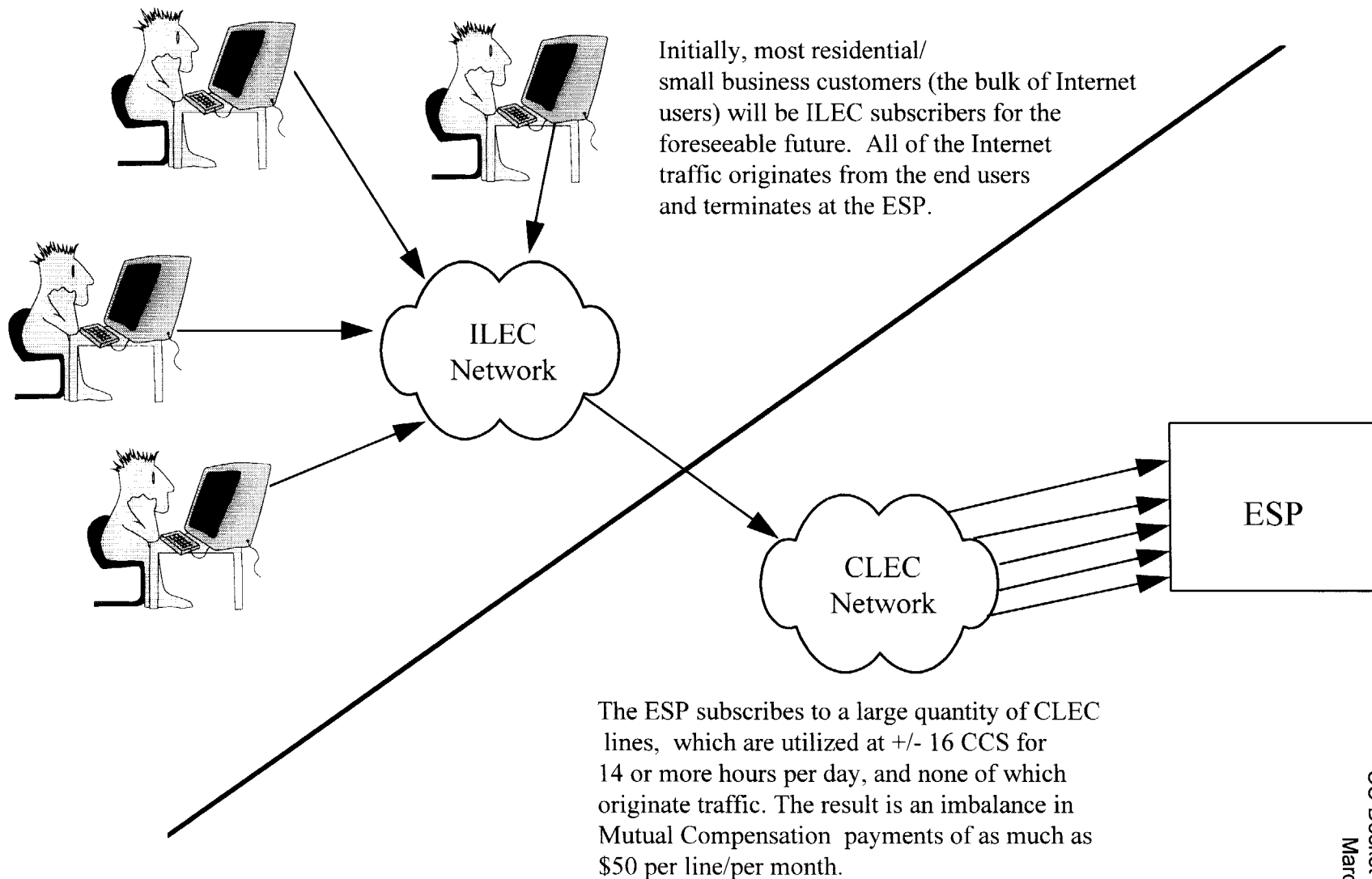
Intended Result of Mutual Compensation

Assumes subscribers originate and terminate roughly an equal number of calls and that some portion of these will originate or terminate on the other provider's network. It also assumes that line utilization will follow traditional voice call patterns. (avg. 2.5 CCS for 7 to 9 hours per day)



When these assumptions hold, each carrier will be liable to the other for approximately the same amount. A settlement process will require payment for any imbalance which is assumed to be small.

Impact of ESP Traffic on Mutual Compensation

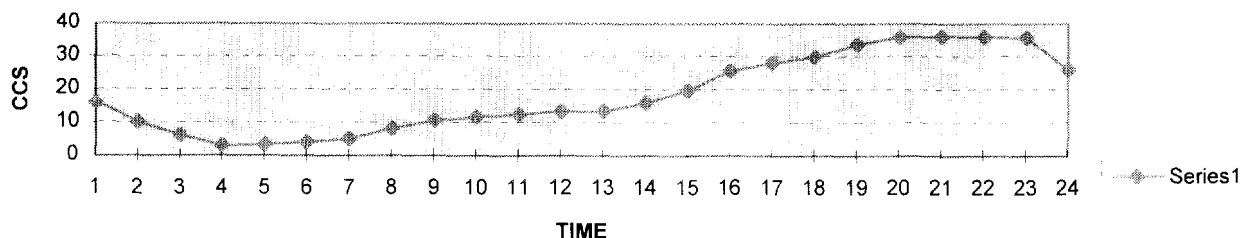


SNET Central Office Usage Study

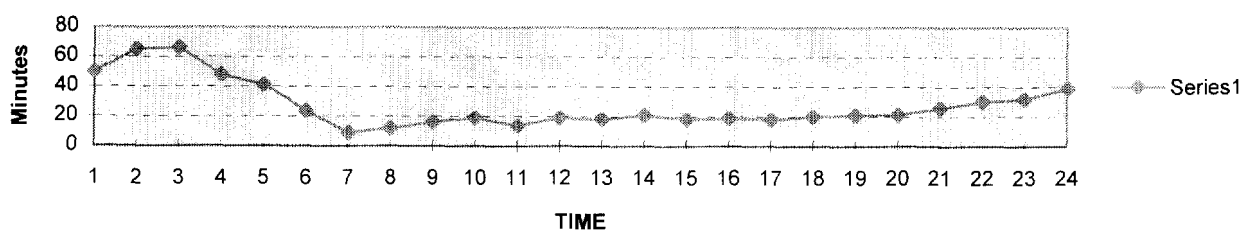
- Attached are results of a usage study conducted in an SNET central office in which a major ISP has subscribed to 336 network access lines (LNS or NAL) to terminate incoming calls.
- The study was performed for 24 hours on one date, March 3, 1997, selected at random, to meet the due date of these Comments.
- The HOUR column displays in military time the 60 minutes ending at the indicated time.
- The OFFICE USAGE column displays the total number of CCS handled by the office switching equipment for all analog lines in the office for the hour.
- The ISP USAGE column displays the total number of CCS handled by the office switching equipment for the ISP access lines for the hour.
- The % ISP column displays the percent of ISP usage derived by dividing the ISP USAGE by the OFFICE USAGE.
- The ISP CALL ATTEMPTS column displays the total number of attempts to call the ISP access line number.
- The ISP % OVF column displays the percentage of CALL ATTEMPTS sent to busy.
- The HT MIN column displays the average holding time in minutes per ISP access line by the hour, and is displayed in the graph HOLD TIME (Min.).
- The CCS/NAL ISP LNS column displays the average usage per ISP access line by the hour in hundred call seconds (CCS), and is displayed in the graph CCS/NAL.
- The CCS/NAL ALL LNS column displays the average usage per access line in the office by the hour in hundred call seconds (CCS).
- The CCS/NAL W/O ISP column displays the average usage per non-ISP access line in the office by the hour in hundred call seconds (CCS).

HOUR	OFFICE USAGE	ISP USAGE	ISP% USAGE	ISP CALL ATTEMPTS	ISP% OVF	HT MIN	CCS/NAL ISP LNS	CCS/NAL ALL LNS	CCS/NAL W/O ISP
0100	8772	5451	62	182	0	50	16.2	1.4	0.6
0200	5459	3381	62	87	0	65	10.1	0.9	0.4
0300	2868	2068	72	52	0	66	6.2	0.6	0.2
0400	1810	1292	71	45	0	48	3	0.3	0.1
0500	1448	1108	77	45	0	41	3.3	0.2	0.1
0600	2058	1418	69	98	0	24	4.2	0.3	0.1
0700	3306	1718	60	313	0	9	5.1	0.5	0.3
0800	7349	2733	37	387	0	12	8.1	1.2	0.8
0900	12108	3558	29	372	0	16	10.6	1.9	1.4
1000	16244	3881	24	340	0	19	11.6	2.6	2.1
1100	16658	4214	25	491	0	14	12.5	2.7	2.1
1200	15711	4469	28	392	0	19	13.3	2.5	1.9
1300	14886	4470	30	418	0	18	13.3	2.4	1.8
1400	16785	5330	32	417	0	21	15.9	2.7	1.9
1500	20520	6582	32	626	0	18	19.6	3.3	2.4
1600	24398	8567	35	762	0	19	25.5	3.9	2.7
1700	26818	9401	35	865	0	18	28	4.3	2.9
1800	28353	10005	35	838	0	20	29.8	4.5	3.1
1900	31358	11297	36	939	3	21	33.6	5	3.4
2000	34216	12037	35	1488	36	21	35.8	5.5	3.7
2100	32146	12065	38	1987	61	26	35.9	5.1	3.4
2200	27644	12086	44	3092	78	30	35.9	4.4	2.6
2300	21513	11962	56	1320	52	32	35.6	3.4	1.6
2400	14123	8686	62	375	0	39	25.9	2.3	0.9

CCS/NAL



HOLD TIME (Min.)

**BUSY HOUR OBSERVATIONS (Busy hour = 1900-2000 Hrs.)**

35.8 CCS/NAL FOR ALL 336 ISP/ESP TERMINALS.

5.5 CCS/NAL FOR ALL 6257 LINES

3.7 CCS/NAL FOR 6357 LINES MINUS 336 ISP/ESP TERMINALS

27.0 AVG. MINUTES OF USE PER TERMINATING CALL TO THIS ISP/ESP FROM INTERNET CUSTOMERS

5% OF NALs USED 35% (12037 CCS) OF THE TOTAL OFFERED LOAD (34216 CCS) DURING BUSY HOUR

GENERAL REGULATIONS

The Southern
New England
Telephone CompanyTariffs Part I
Sheet 4

General Regulations

21. PERFORMANCE OF WORK ON SUBSCRIBERS' PREMISES - It is contemplated that all work on subscribers' premises be performed during regular working hours. Where a subscriber for his own convenience requests that the work be done outside of such hours, the Telephone Company may require the subscriber to bear any additional costs incurred.
22. TARIFF REVISIONS CHANGING EXISTING MONTHLY RATES - Tariff revisions changing existing monthly rates become effective on the effective date of the tariff revision.
23. VIOLATION OF REGULATIONS, DENIAL AND RESTORATION OF SERVICE - In the event of the abandonment of the station; the use of foul or profane language; the impersonation of another with fraudulent intent; the use of the service with malicious intent to irritate, abuse, threaten, or financially injure a person called; the use of the service or facilities in such a manner as to impair the effective use of the Telephone Company's plant, property or service by others; the furnishing of false credit information (including but not limited to using a fictitious billing name); the billing of the service in the name of a person who cannot be held legally responsible (such as a young child or a person unconnected with the service); the giving of false employment information; the incurring of an unusually high volume of usage (before or after billing) where acceptable arrangements cannot be made to cover the charges incurred by means of a deposit; or any other violation of the Telephone Company's regulations: in all such cases the Telephone Company may either temporarily withhold service, or terminate the service. (T)

When a subscriber causes volumes of calling which obstruct or delay the telephone service of others, the Telephone Company may require the subscriber to contract for as many additional lines as are needed to meet adequately the requirements of the service and to arrange for the adequate answering of his lines, or may discontinue the service.

The Company reserves the right to discontinue or refuse service because of abuse or fraudulent use of service. Abuse or fraudulent use of service includes the use of service or facilities of the Telephone Company to transmit a message or to locate a person or otherwise to give or obtain information, without payment of a message toll charge.

In the event of a change in service or in rates or regulations which the subscriber refuses to accept, the subscriber's service may be terminated by the Telephone Company on not less than ten days' notice in writing.

Where semi-public telephone service is furnished, the service is subject to termination by the Company, without notice, in the event that the subscriber fails to redeem upon demand, slugs and spurious, mutilated or foreign coins deposited in the collecting device at the value for which they were deposited therein. Semi-public service also is subject to termination by the Company in cases of apparent fraudulent use of the service as evidenced by shortage in receipts for toll messages recorded during any given collection period unless the subscriber agrees in writing to recompense the Company, upon demand, for all subsequent shortages in receipts for toll messages. Where service has been terminated because of shortages in toll receipts, the execution of a like agreement shall be a condition precedent to the re-establishment of the service.

In the event of the non-payment of any sum due, the Telephone Company may, after furnishing prior written notice to the subscriber, either temporarily withhold service, or terminate the service. (T)